

Urban Renewal: An Overview



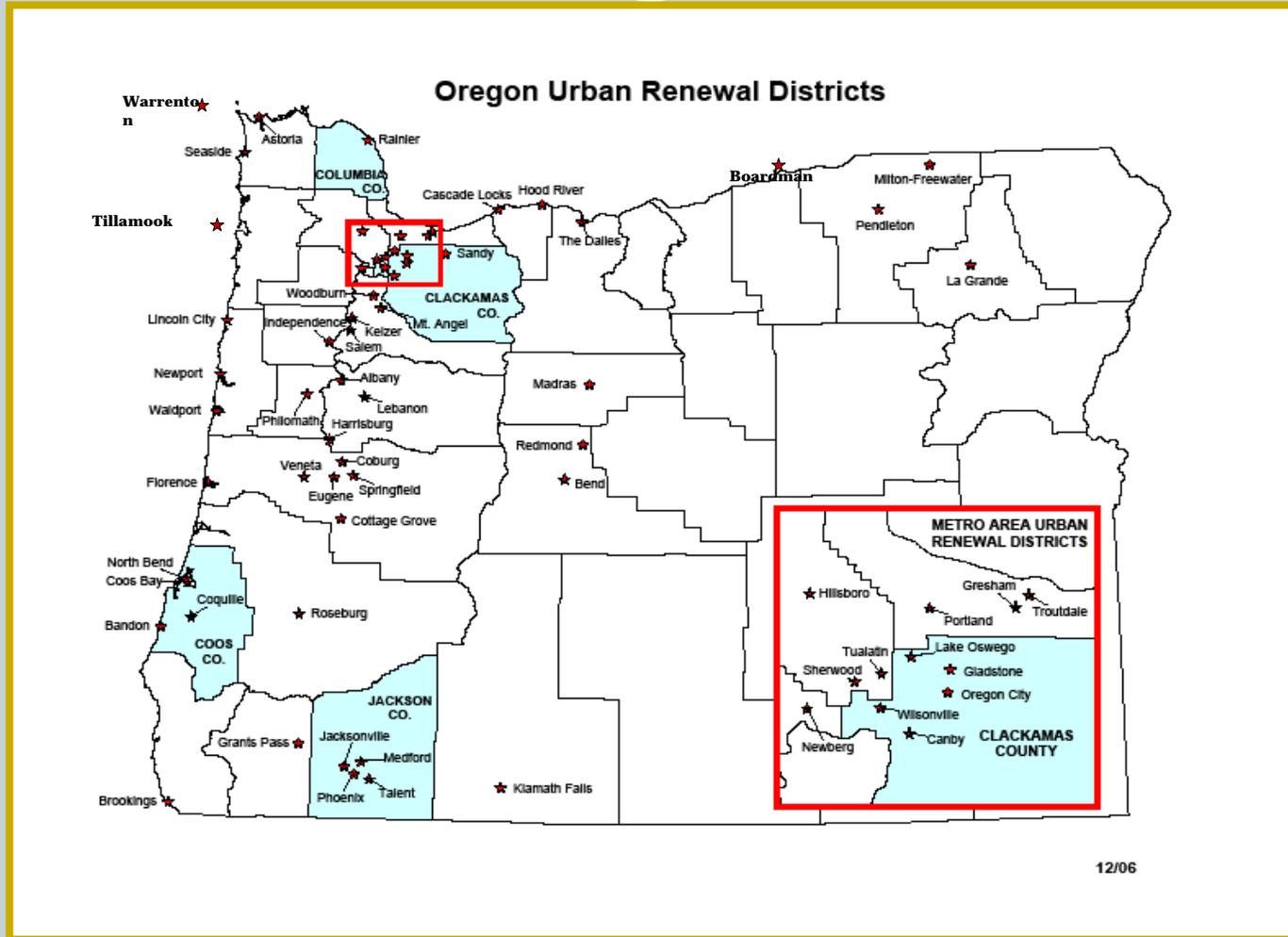
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What is Urban Renewal?



- Program to address blighting influences in specifically designated areas
- Authorized through Federal 1949 Housing Act, State Statute in 1951, authorized for cities in 1957
- Used throughout Oregon
- Provides Financing Mechanism to Implement City Plans:
 - Uses increases in Property Taxes to Fund Projects in Area

Map of Urban Renewal Areas in Oregon



What is Blight?



- Defined by the State Statute ORS 457
- Generally covers:
 - Underdevelopment or underutilization of property
 - Poor condition of buildings
 - Inadequacy of infrastructure including streets and utilities



Foothills District in Lake Oswego



How is an Urban Renewal Area Established?



- Locality determines need for assistance in redevelopment of an area
- Feasibility Study, Plan and Report
 - Identifies Study Area
 - Determines the Existence of Blight in the Area
 - Analyzes the Economic Viability of Urban Renewal
 - Identifies other Tools
 - Provides Opportunity for Public Input
 - Presented to Advisory Committee and City Council

State Limitations on Urban Renewal



- **Population under 50,000**
 - 25% of Assessed Value of Property in City
 - 25% of Acreage of City
- **Existing Plan limitations:**
 - Can not be increased in size by more than 20% of original Plan acreage
 - Maximum Indebtedness is controlling factor of a Plan
 - Maximum Indebtedness (MI) can not increase by more than 20% of original MI, indexing

How is a Plan Adopted?



How Does Financing in Urban Renewal Work?

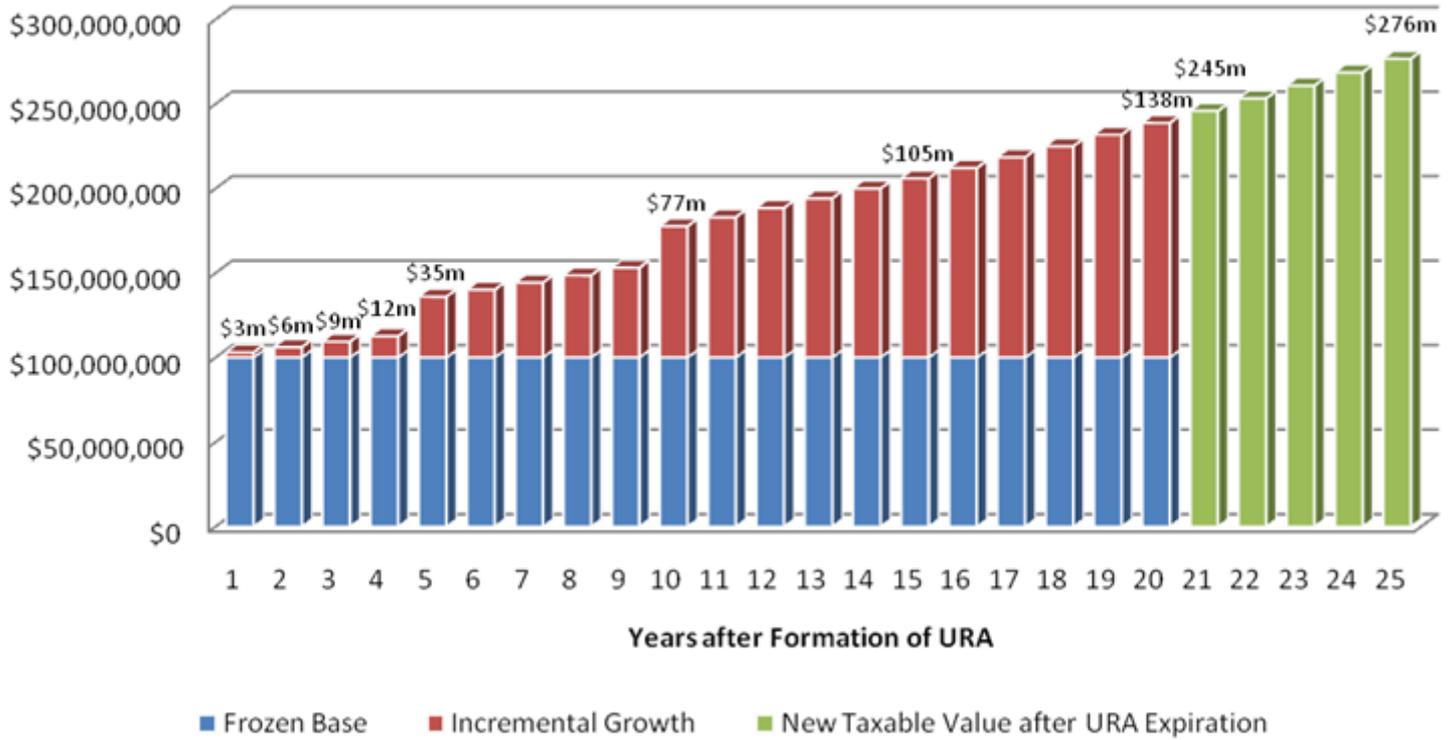


- An area is designated as an urban renewal area
- The tax assessed value of properties within the area is frozen
- Taxes from that “frozen base” go to all taxing jurisdictions
- Increases in taxes over the “frozen base” go to the urban renewal agency for use in the Area

Property Tax Increases: Base Case



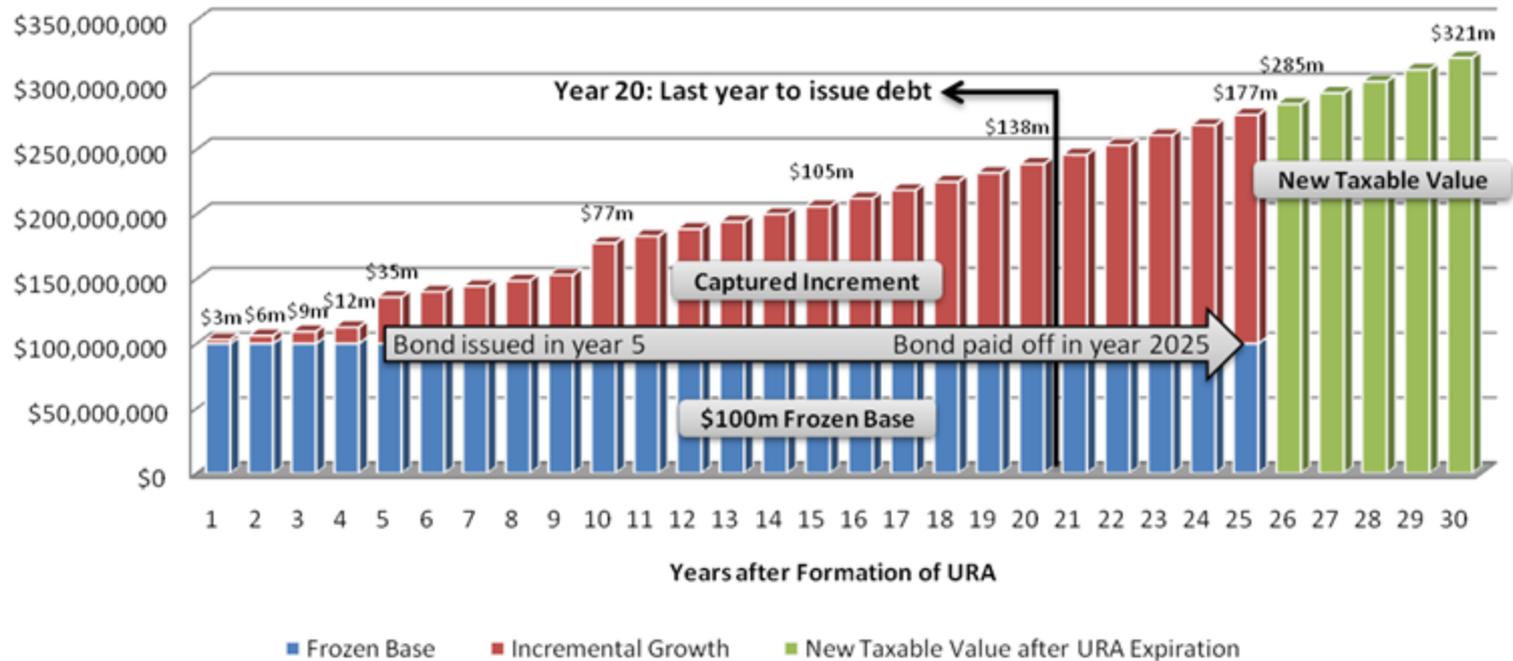
Tax Base Through Life of URA



Bond Issued in Year 5



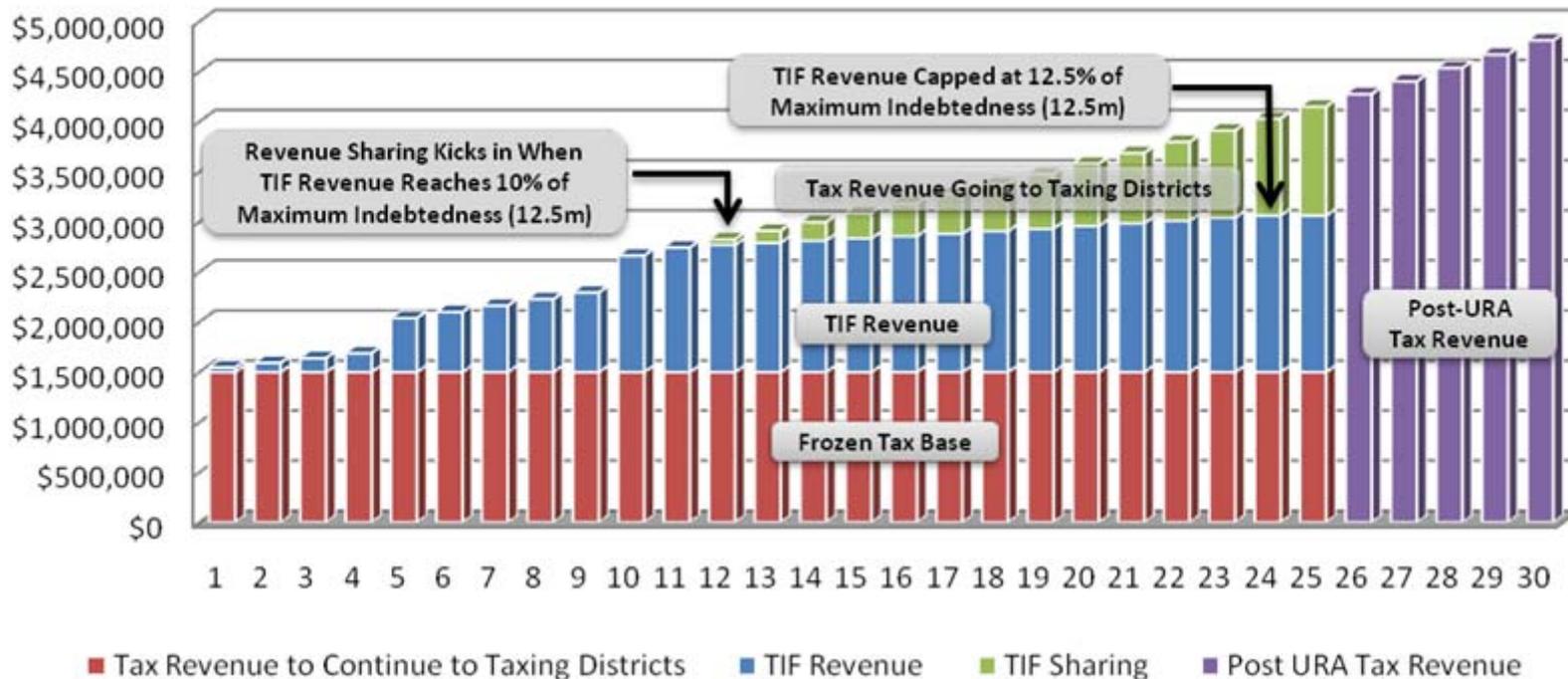
Tax Base Through Life of URA



Senate Bill 3056: TIF Revenue Sharing



3056 TIF Revenue Sharing



Impacts on Taxing Jurisdictions



- Continue Receiving Taxes on Frozen Base
- Forego taxes on growth in Area
- “But For Urban Renewal”
- Local Options Impact
- Increased Tax Revenues After UR

How is Urban Renewal Administered?



A city must establish an urban renewal agency prior to adoption of an UR Plan

- City Council: Philomath, Astoria, Bandon
- Hood River: City Council/Port Commissioner/Planning Commissioner
- Tillamook/Phoenix: Citizens
- The Dalles: City Council, County Commissioner, Fire District, Citizens
- Wood Village: City, Local Developers, Planning Commissioner

What Types of Projects are Typically Completed?

- Infrastructure: Streets and Utilities
- Streetscape
- Catalyze development
- Storefront loans
- Parks, plazas



Parks and Plazas



Redevelopment/Infrastructure: The Dalles Brewery Grade



Redevelopment: The Dalles Commodore Hotel



Storefront Loans/Redevelopment: Coos Bay



Rifkin Building Façade Grant:
Constructed exterior wall,
refurbished the interior walls and
flooring , 2010



Storefront Loans/Redevelopment: Coos Bay



Star of Hope
Building Façade Grant, 2010



Storefront Loans/Redevelopment: Coos Bay



South Coast Office
Supply, 2007



Storefront Loans/Redevelopment: Coos Bay



First Call Resolution: New business with an additional 50 employees

Storefront Loans/Redevelopment: Coos Bay



Coos Bay National
Bank: Vacant,
historic register
building, 2011



Storefront Loans/Redevelopment: Florence



Storefront Loans/Redevelopment: Florence



Florence Infrastructure Project



Lake Oswego Redevelopment



Lake Oswego Redevelopment: Parking Garage



Lake Oswego Redevelopment: Streetscape



How Long Does Urban Renewal Last?



- Typical plans are designed for a 20 year period, time period is not a requirement
 - Impacts may last a few years longer to pay off the debt
- Plans can be closed out if all projects are completed earlier:

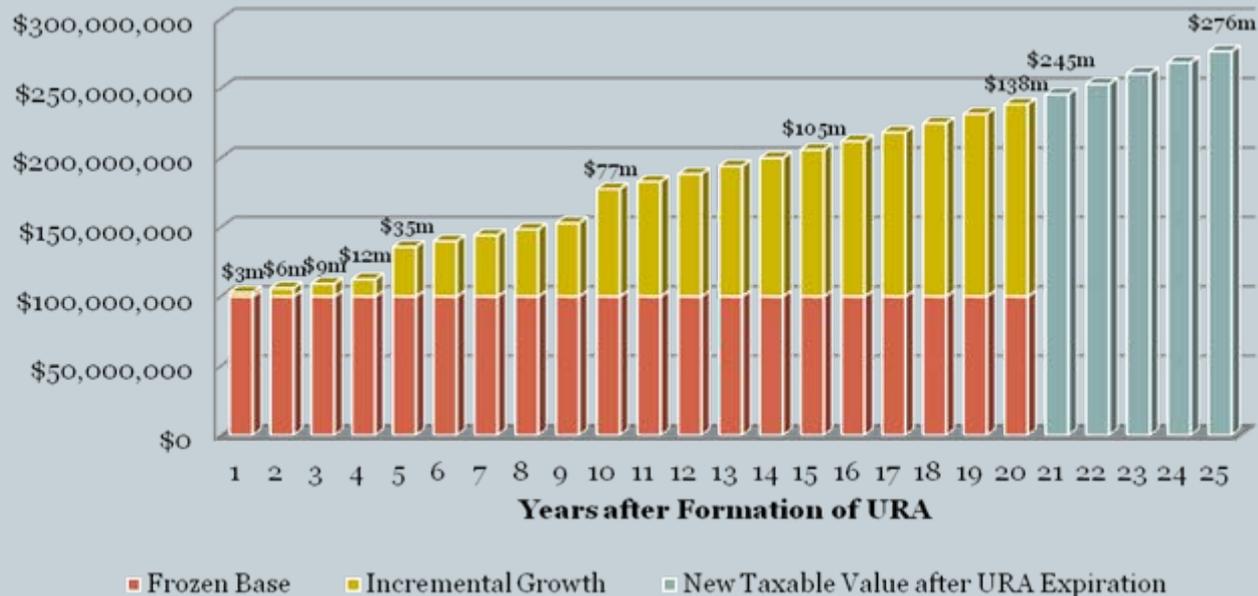
Redmond Industrial Area and Airport
Proposed Wilsonville Plan

What Happens After Urban Renewal?



- Increased value of the Area is returned to the tax rolls and all taxing jurisdictions gain the benefit of increased taxes
- Area of the City has been improved, better serving the citizens of the community

Tax Base Through Life of URA



How Does UR work With Main Street?



- 3 Transforming Main Street Communities

- Philomath
- Astoria
- Bandon



Philomath: Urban Renewal Amendment 2010



Philomath: Streetscape Program, Redevelopment Loans



Bandon: Plan Adopted in 1987, Proposed Amendment in 2011



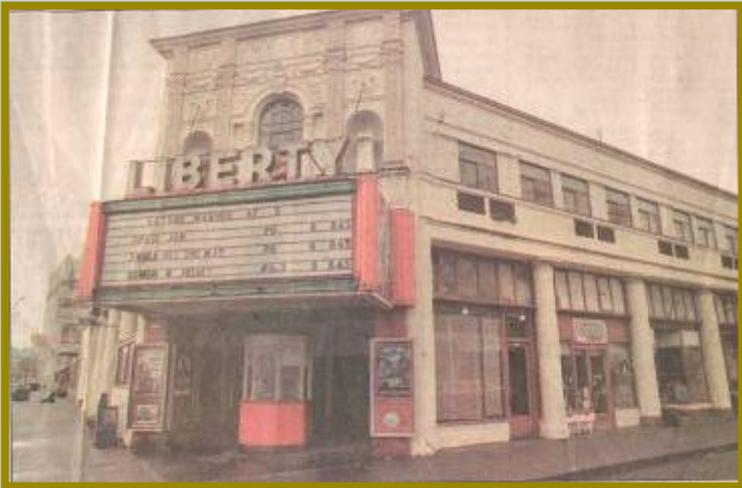
Bandon: Crabbing Dock Near Old Town



Bandon: Purchase of Museum Site, Traffic Light to Old Town



Astoria: Liberty Theater

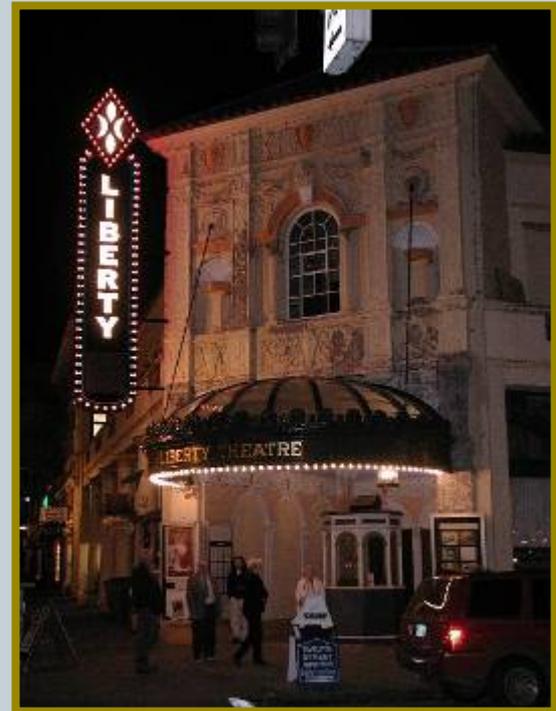


Theater acquired by City of Astoria for \$1,455,000, transferred to non-profit

Built in 1925, reopened after renovations in 2005

Urban renewal funding totaling \$150,000 in Phase 1, \$386,000 matching grant in Phase II

Operates as a premier performing arts theater



Astoria: Astor Hotel



Built in 1922 and under renovation since 2008

Urban Renewal Provided:

- Low interest loan \$346,000 with a 9-year maturity date
- Grant of \$45,000

Community Benefits include:

- 56 low income housing units
- Street level visual improvements
- 380% (25%-95%) increase in ground floor occupancy in building



Astoria: Garden of Surging Waves

Commemorating Chinese History
in Astoria

Located where Chinese
immigrants resided in the 1800's

Urban Renewal Provided:

- Design Grant of \$325,000

Community Benefits include:

- Historical and cultural education
- Provide outdoor space to complement downtown businesses
- Enhances destination tourism



Astoria: Garden of Surging Waves



Astoria: Fort George Brewery and Pub



Historic building re-constructed in 1923, remodeled over 80 years later in 2006
Urban Renewal provided:

- Low interest loan for \$120,039 with an 8-year maturity date
- Storefront Improvement Grant of \$30,000

Leverage:

- SBA Loan
- State of Oregon (forgivable loan)

Astoria: Fort George Brewery and Pub

Old use: Abandoned auto dealership

New use: 10-hectoliter Fort George brewery and public house, Blue Scorchers bakery

Community Benefits:

- Job Creation
- Demand for local goods
- Support for local artists
- Support community events
- Provide craft beer to over 45 establishments along the Oregon Coast alone



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